

WHAT IS CLAIMED IS:

1. A method for determining a winning bid, at an optimal bid price, for a sealed bid auction, said method comprising the steps of:

determining a distribution of bid values possible from competing bidders;

5 selecting a bid value;

randomly sampling other bid values to generate one possible auction scenario; and

determining a probability of winning the auction versus the selected bid value.

10 2. A method according to Claim 1 wherein said step of randomly sampling bid values further comprises the step of using an iterated sampling technique to produce a distribution of auction outcomes.

15 3. A method according to Claim 2 wherein said step of using an iterated sampling technique further comprises the step of using a Monte Carlo analysis.

4. A method according to Claim 1 further comprising the steps of:

selecting various bid values;

randomly sampling other bid values to generate possible auction scenarios; and

20 determining a probability of winning the auction versus the selected bid values.

5. A method according to Claim 4 wherein said step of randomly sampling bid values further comprises the step of using an iterated sampling technique to produce a distribution of auction outcomes.

5 6. A method according to Claim 5 wherein said step of using an iterated sampling technique further comprises the step of using a Monte Carlo analysis.

10 7. A method according to Claim 1 wherein said step of determining a distribution of bid values possible from competing bidders further comprises the step of determining financial capabilities for at least one of the possible competing bidders.

8. A method according to Claim 1 wherein said step of determining a distribution of bid values possible from competing bidders further comprises the step of codifying market rules and contracts into computerized business rules suitable for a simulation.

15 9. A method according to Claim 1 wherein said step of determining a distribution of bid values possible from competing bidders further comprises the step of codifying at least one of potential competition, market forces, forecasted budgets, priorities, risk and return tradeoffs into a preference matrix.

20 10. A method according to Claim 1 wherein said step of determining a distribution of bid values possible from competing bidders further comprises the step of codifying past bidding history of competing bidders based upon knowledge of tranche types preferred by competing bidders.

11. A system for determining a winning bid, at an optimal bid price, for a sealed bid auction for tranches of asset portfolios, said system comprising:

25 a computer configured as a server and further configured with a database of asset portfolios;

at least one client system connected to said server through a network, said server configured to determine a distribution of bid values possible from competing bidders, select a bid value, randomly sample other bid values to generate one possible auction scenario and determine a probability of winning the auction
5 versus the selected bid value.

12. A system according to Claim 11 wherein said server is configured to use an iterated sampling technique to produce a distribution of auction outcomes.

10 13. A system according to Claim 12 wherein said server is configured to use a Monte Carlo analysis as an iterated sampling technique.

14. A system according to Claim 11 wherein said server is configured to:

select various bid values;

15 randomly sample other bid values to generate possible auction scenarios; and

determine a probability of winning the auction versus selected bid values.

20 15. A system according to Claim 14 wherein said server is configured to use an iterated sampling technique to produce a distribution of auction outcomes.

16. A system according to Claim 15 wherein said server is configured to use a Monte Carlo analysis as an iterated sampling technique.

25 17. A system according to Claim 11 wherein said server is configured to determine financial capabilities for at least one of the possible competing bidders.

18. A system according to Claim 11 wherein said server is configured to codify market rules and contracts into computerized business rules.

19. A system according to Claim 11 wherein said server is configured to codify at least one of potential competition, market forces, forecasted budgets, priorities, risk and return tradeoffs into a preference matrix.

20. A system according to Claim 11 wherein said server is configured to codify past bidding history of competing bidders based upon knowledge of tranche types preferred by competing bidders.

21. A computer for determining a winning bid, at an optimal price, for tranches of asset portfolios, said computer including a database of asset portfolios, said computer programmed to:

determine a distribution of bid values possible from competing bidders;

select a bid value;

randomly sample other bid values to generate one possible auction scenario; and

determine a probability of winning the auction versus the selected bid value.

22. A computer according to Claim 21 programmed to use an iterated sampling technique to produce a distribution of auction outcomes.

23. A computer according to Claim 22 programmed to use a Monte Carlo analysis as an iterated sampling technique.

24. A computer according to Claim 21 programmed to:

select various bid values;

randomly sample other bid values to generate possible auction scenarios; and

determine a probability of winning the auction versus the selected bid values.

5 25. A computer according to Claim 24 programmed to use an iterated sampling technique to produce a distribution of auction outcomes.

26. A computer according to Claim 25 programmed to use a Monte Carlo analysis as an iterated sampling technique.

10 27. A computer according to Claim 21 programmed to determine financial capabilities for at least one of the possible competing bidders.

28. A computer according to Claim 21 programmed to codify market rules and contracts into business rules.

15 29. A computer according to Claim 21 programmed to codify at least one of potential competition, market forces, forecasted budgets, priorities, risk and return tradeoffs into a preference matrix.

30. A computer according to Claim 21 programmed to codify past bidding history of competing bidders based upon knowledge of tranche types preferred by competing bidders.